



City of Morgan Hill

Public Finance Ballot Measure Tracking Survey

May 2006

Fairbank, Maslin, Maullin & Associates
Opinion Research & Public Policy Analysis

Santa Monica, CA – Oakland, CA – Madison, WI – Mexico City



Methodology

- **400 telephone interviews with Morgan Hill voters likely to cast ballots in the November 2006 general election**
- **Interviews conducted between May 1-7, 2006**
- **Margin of sampling error of +/- 4.9%**
- **Comparisons to April 2005 baseline survey**

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Key Findings

- ✓ **Voters continue to believe that Morgan Hill is headed in the right direction, and think that the quality of life in the City is excellent.**
- ✓ **Voters offer increasingly positive evaluations of City government, both overall and for its handling of specific issues.**
- ✓ **A majority of voters approve of the activities of the Redevelopment Agency, and think they have improved the City's quality of life.**
- ✓ **Voters are divided over the issue of approving a tax increase to fund City services.**
- ✓ **Voters oppose most specific methods of obtaining additional revenue for City services, with the exception of attracting more large retail stores.**



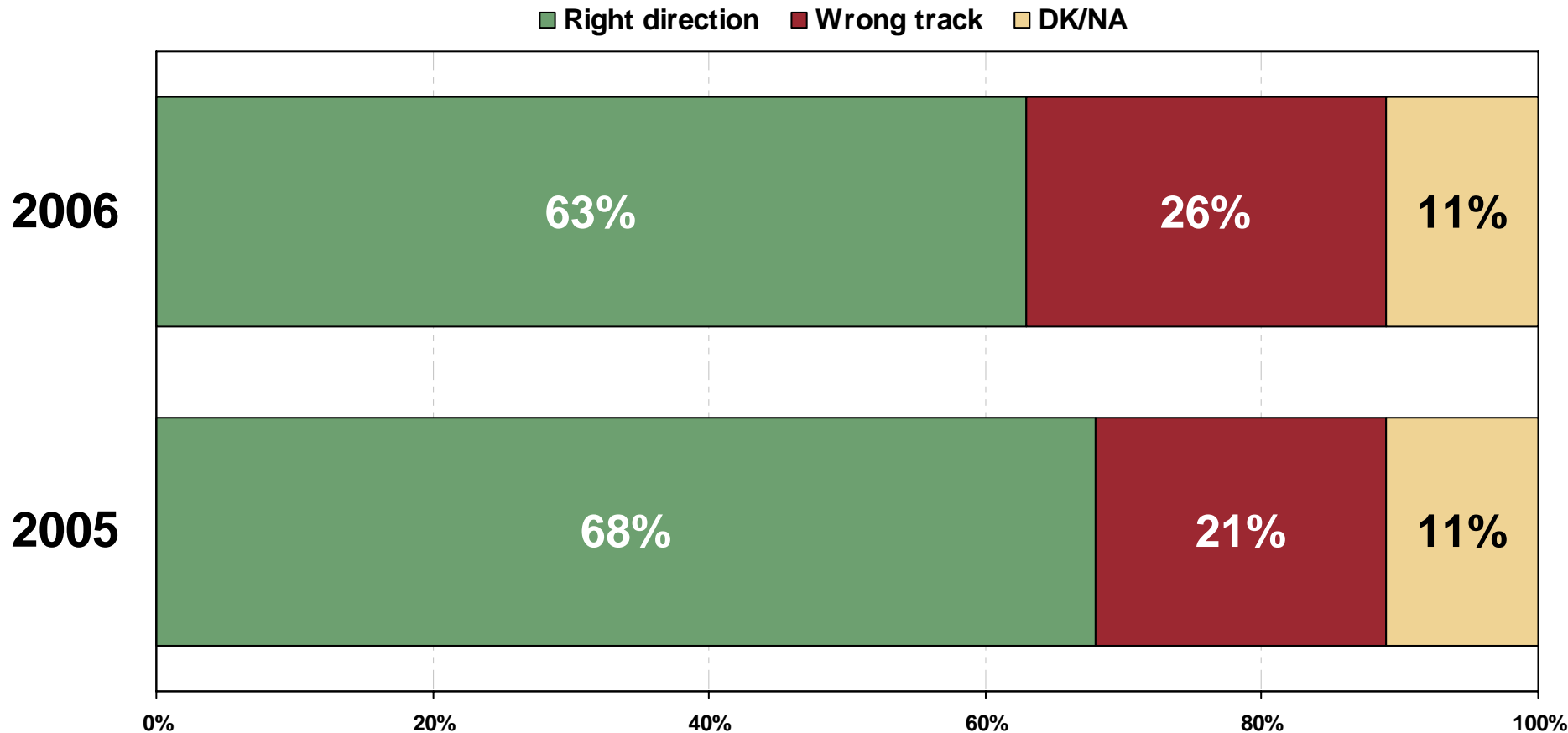
Issue Concerns and Assessments of City Government

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**Voters continue to say Morgan Hill
is headed in the right direction.**



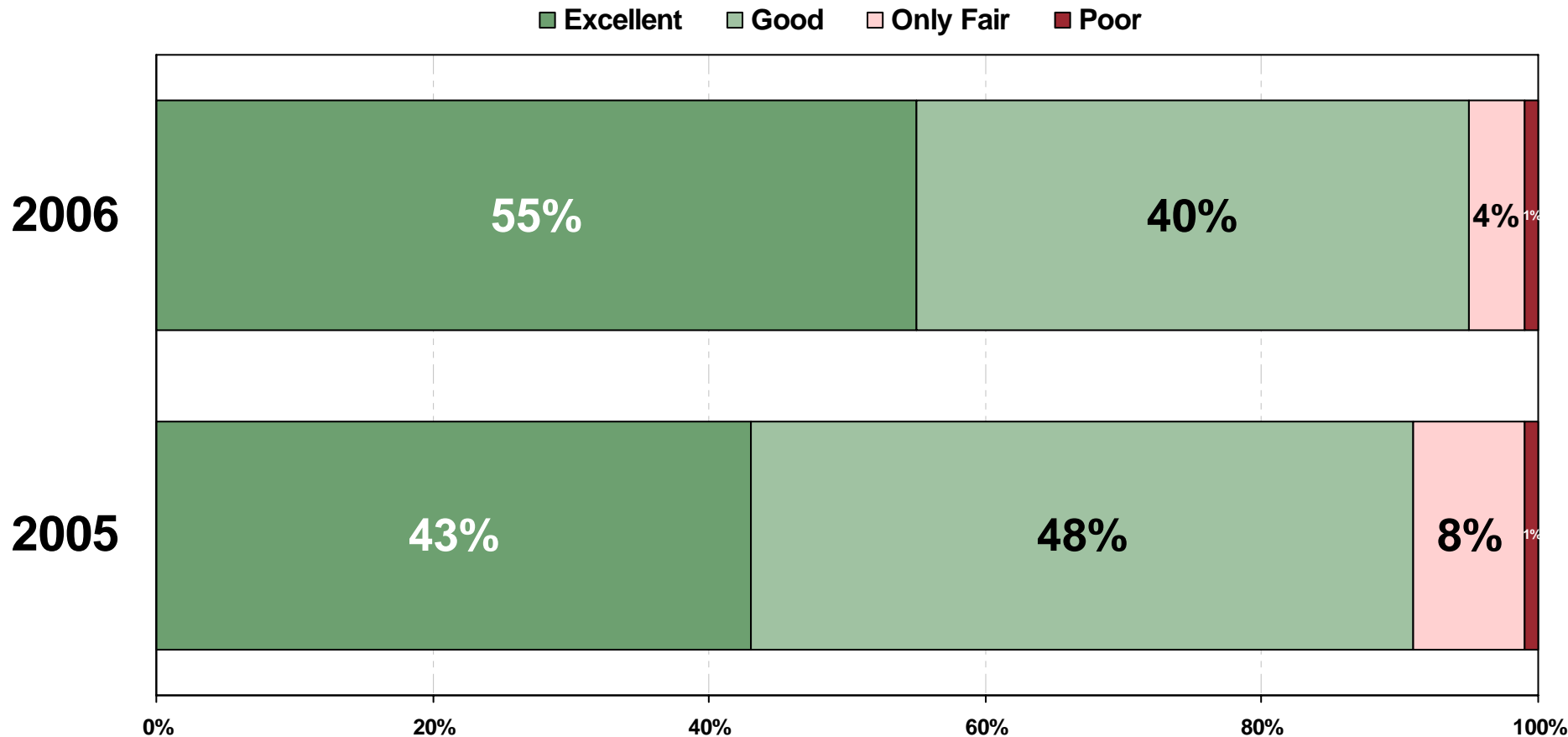
2. Would you say that things in Morgan Hill are generally headed in the right direction, or would you say that they are off on the wrong track?

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**Voters are even more strongly pleased
with Morgan Hill's quality of life.**



3. Generally speaking, how would you rate Morgan Hill as a place to live: is it an excellent place to live, a good place to live, only fair, or a poor place to live?

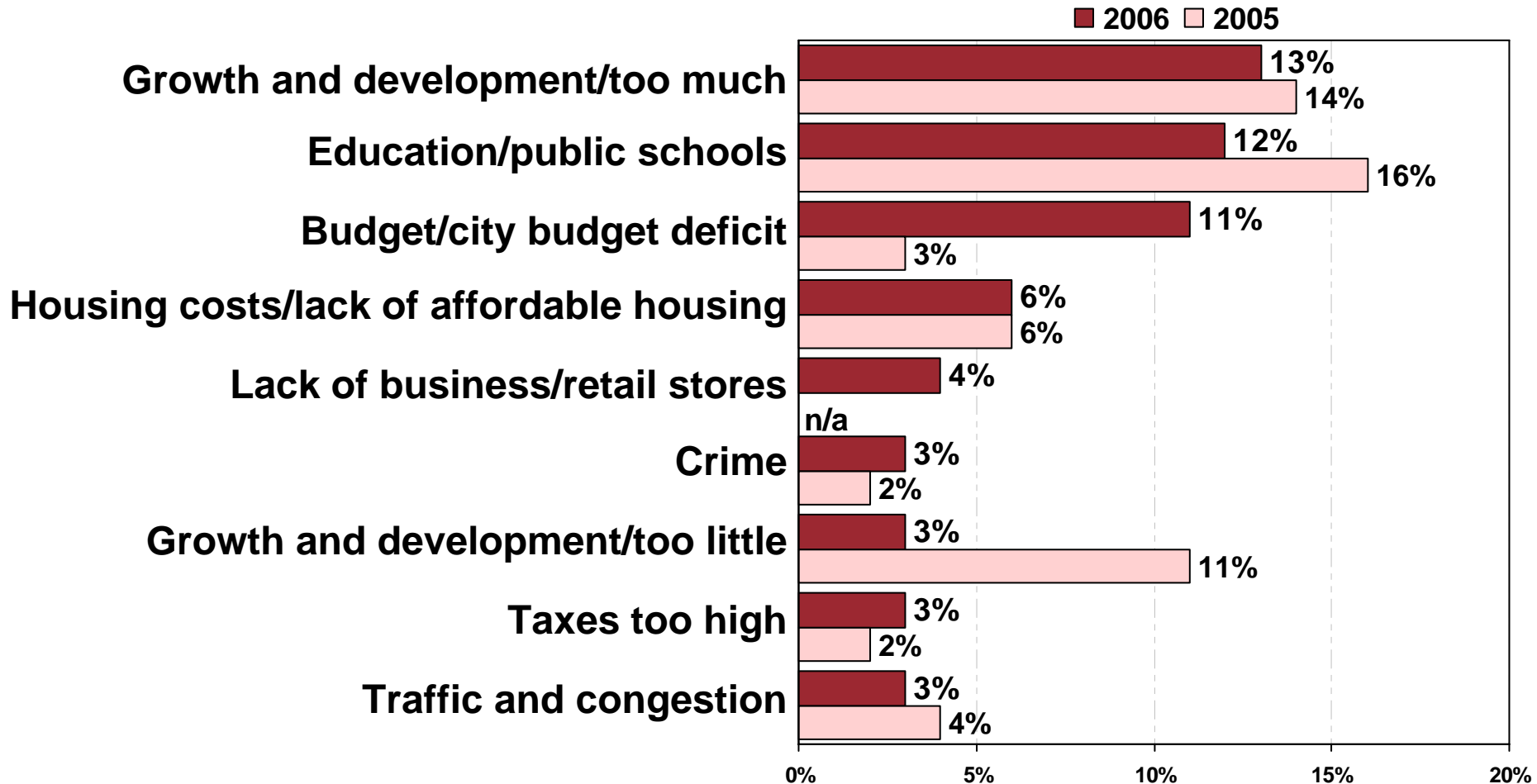
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Voters have grown more likely to volunteer the budget as a serious issue.

(Open-End, Top Responses Only)



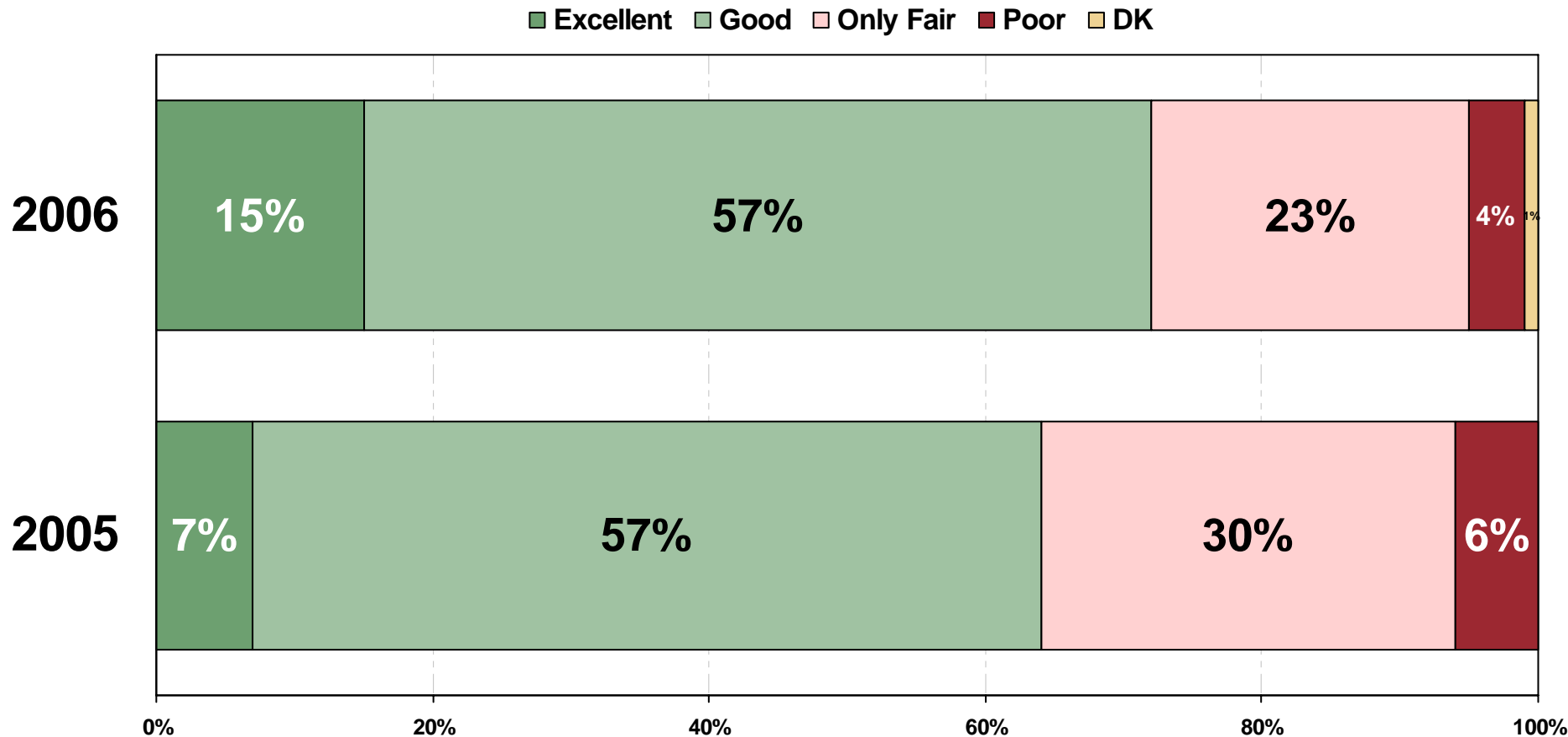
4. What do you think is the most serious problem facing the residents of Morgan Hill that you would like to see City government do something about?

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Evaluations of City government's overall performance have improved.

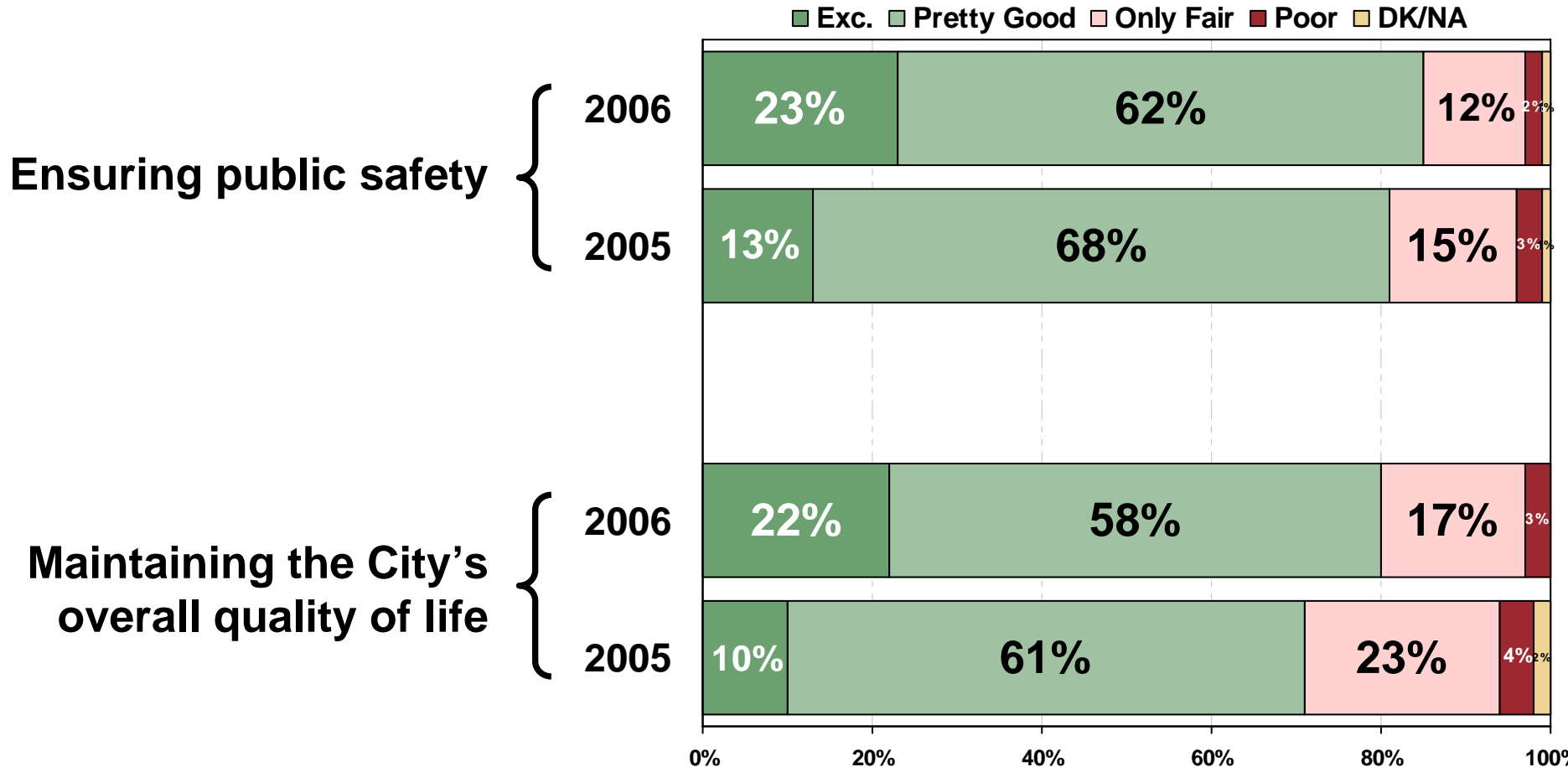


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Voters give the City increasingly positive marks for its performance in most issue areas.



6. I am going to read you a list of different aspects of the services City government provides to residents of Morgan Hill. After I read each one, please tell me whether you think the City is doing an excellent, pretty good, only fair, or poor job of providing that service.

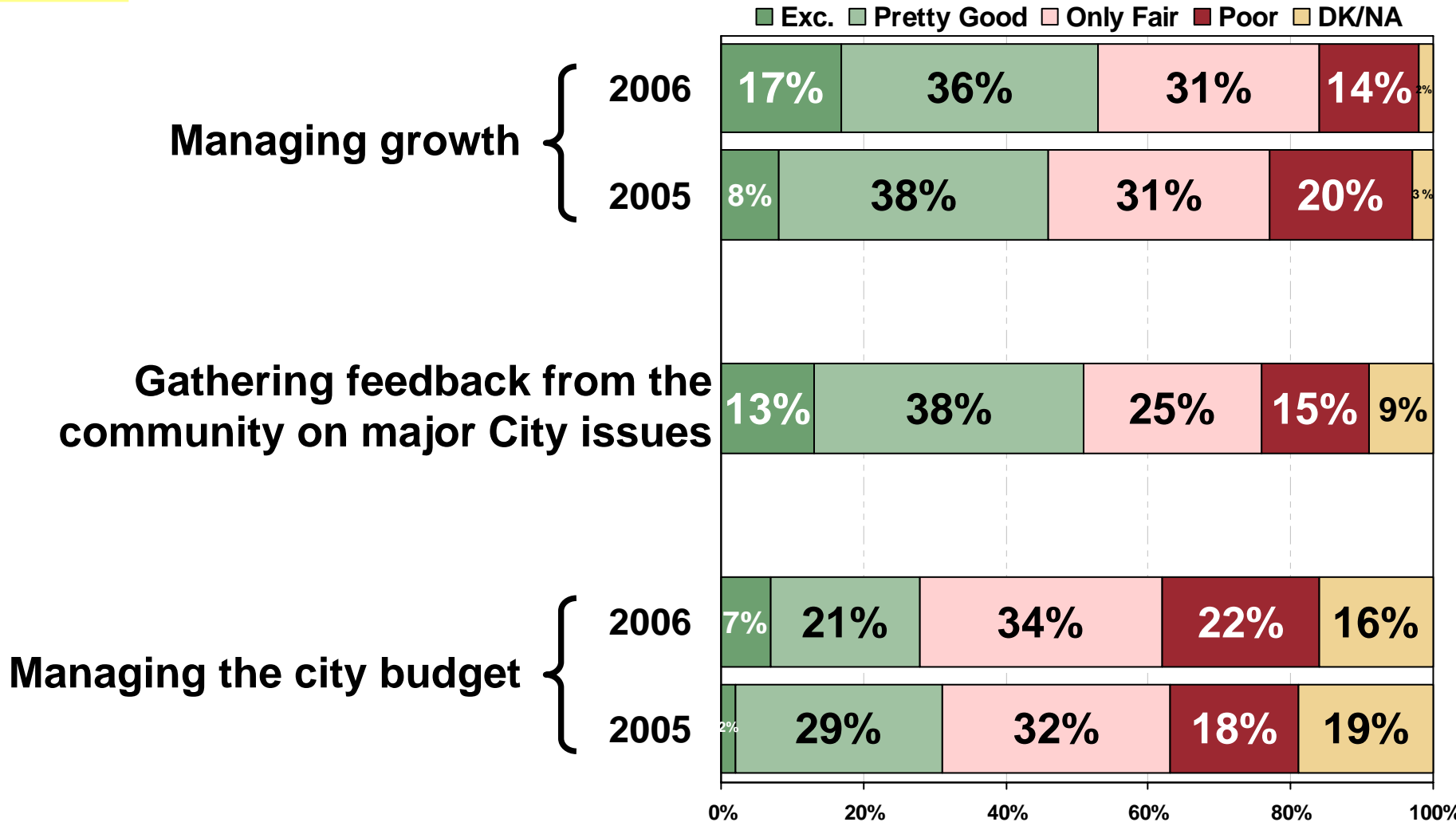
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*Opinion Research &
Public Policy Analysis*

Continued



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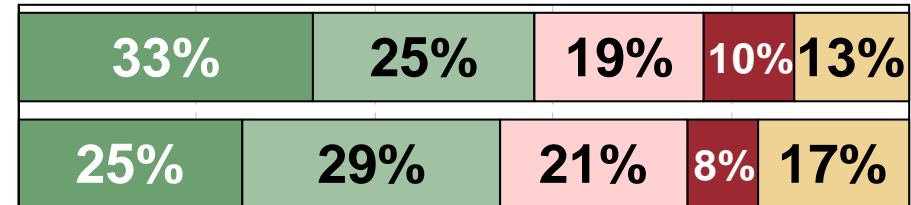
Only half of voters believe a revenue increase is necessary to continue providing adequate service.

■ Str. Agr. ■ S.W. Agr. ■ S.W. Disag. ■ Str. Disag. ■ DK/NA

There is too much waste and mismanagement in City government

2006

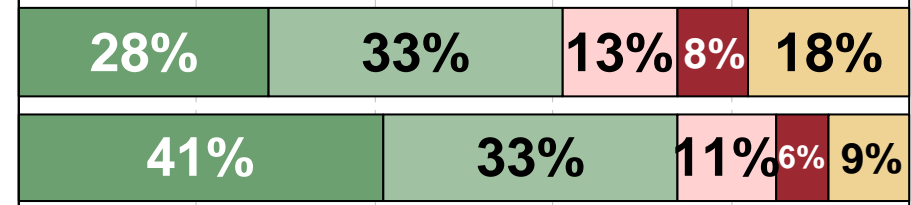
2005



State budget cuts have been a major cause of cutbacks in City services.

2006

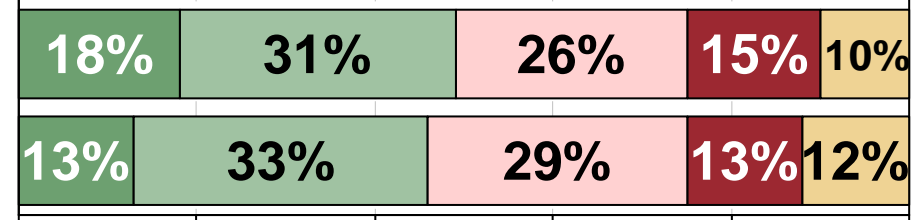
2005



The City of Morgan Hill cannot provide the level of service that residents want and need without additional funding.

2006

2005



0% 20% 40% 60% 80% 100%

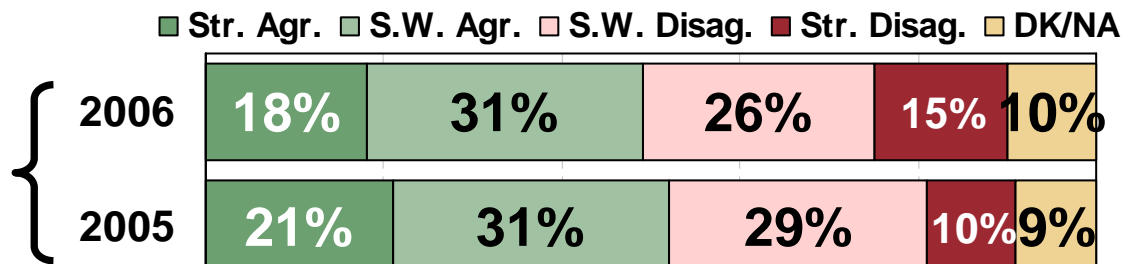
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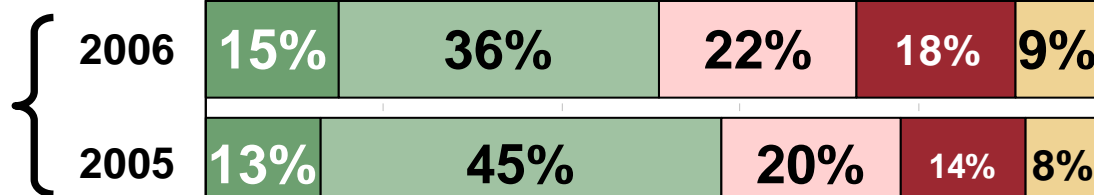


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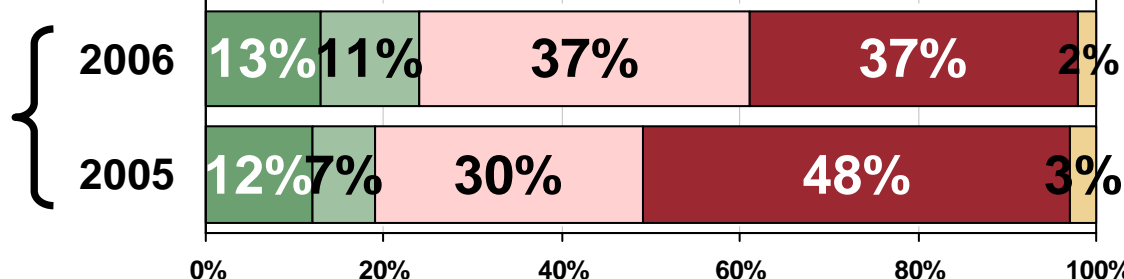
City services in Morgan Hill are not keeping up with the pace of growth and development.



The City of Morgan Hill can be trusted to properly manage additional tax dollars.



I would never vote for a tax increase, no matter what the money raised would be used for.



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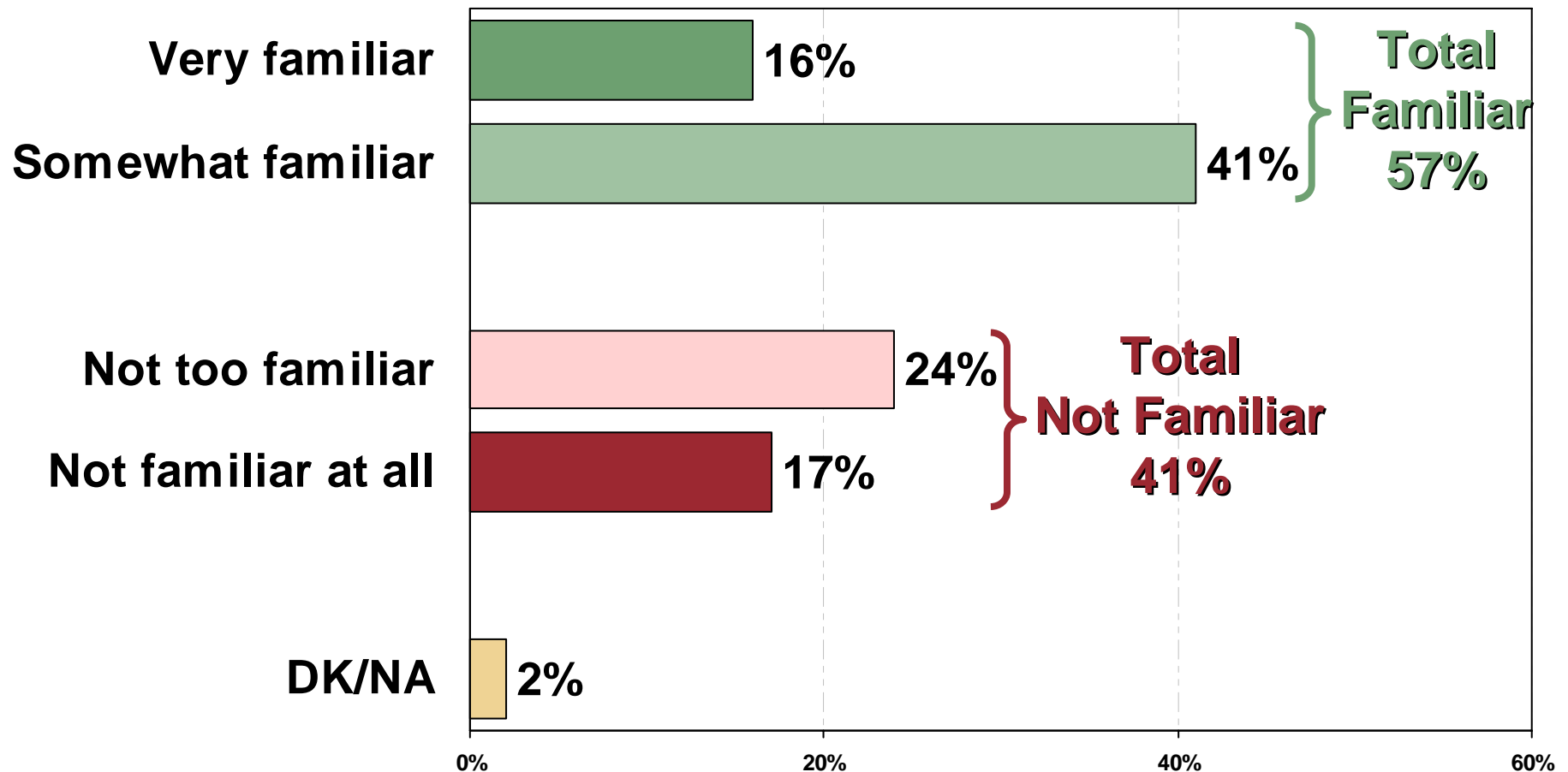
Attitudes Toward Redevelopment

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Few voters are highly familiar with the Redevelopment Agency.



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Redevelopment Agency Description Tested

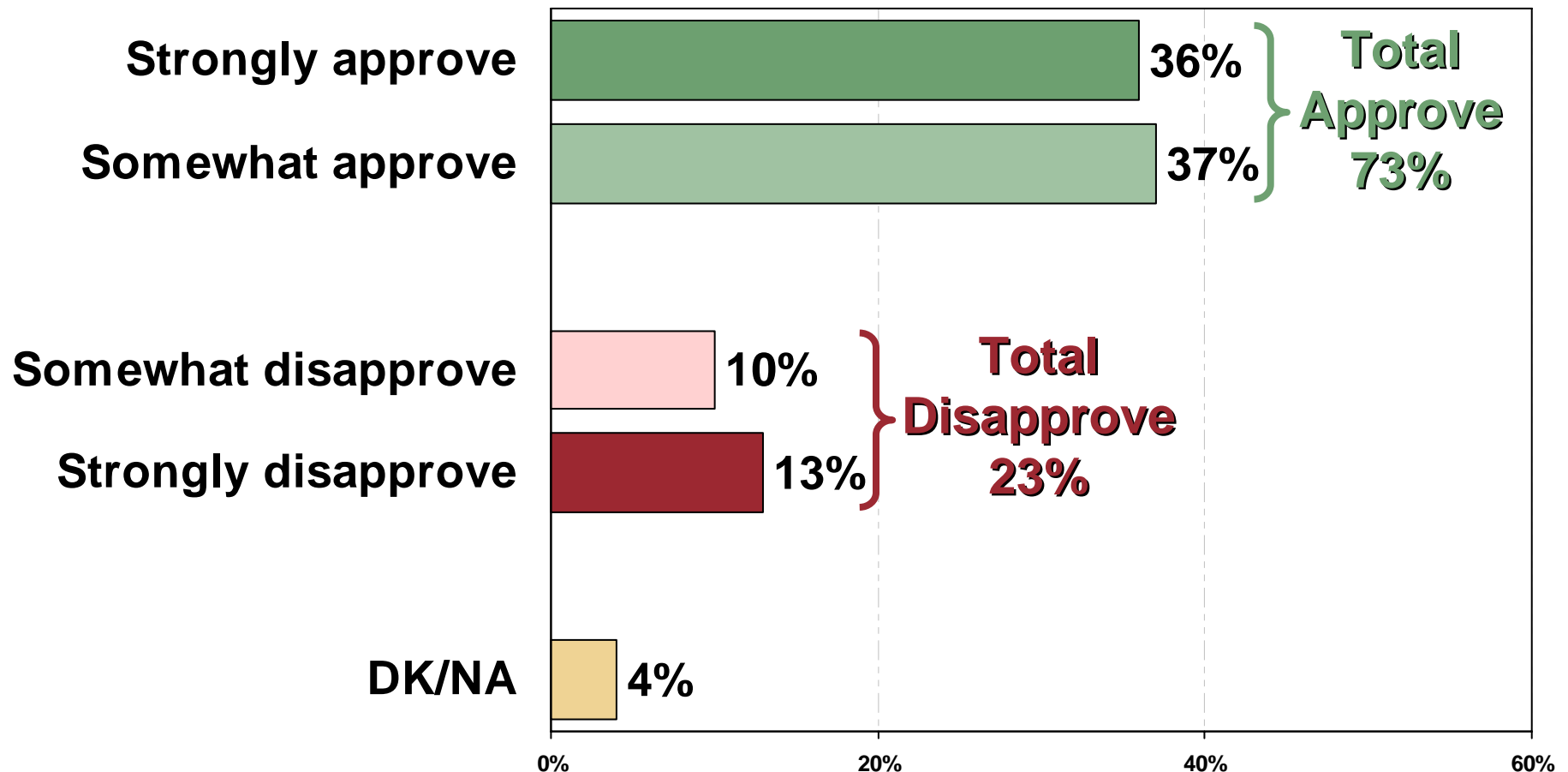
Let me tell you a little bit more about the Morgan Hill Redevelopment Agency. Redevelopment is the primary tool used by cities and counties in California to revitalize deteriorating and blighted areas of neighborhoods and business districts by encouraging new businesses and housing. The increased tax revenue that comes from those revitalized areas is then used to fund more redevelopment projects. Over the past twenty years, the Morgan Hill Redevelopment Agency has made street and parking improvements in the downtown area, built the Community and Cultural Center, Community Playhouse, and Aquatics Center, and is now building a new library and recreation center.

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Nearly three-quarters of voters approve of the Redevelopment Agency's performance.



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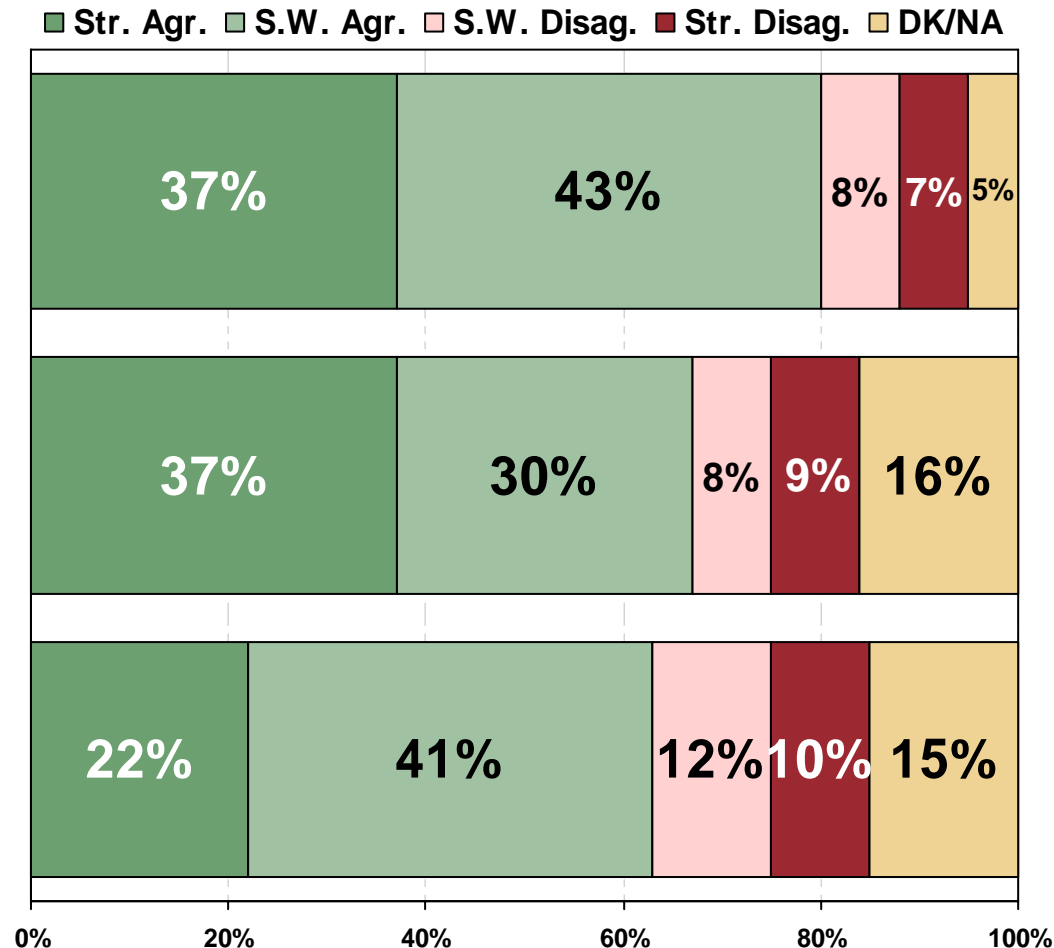


Voters see a number of benefits from redevelopment.

**Redevelopment projects have
improved our quality of life in
Morgan Hill**

**I would prefer to build new
public buildings with
redevelopment money rather
than tax dollars**

**Redevelopment has eliminated
blight and reversed economic
decay in some Morgan Hill
neighborhoods**



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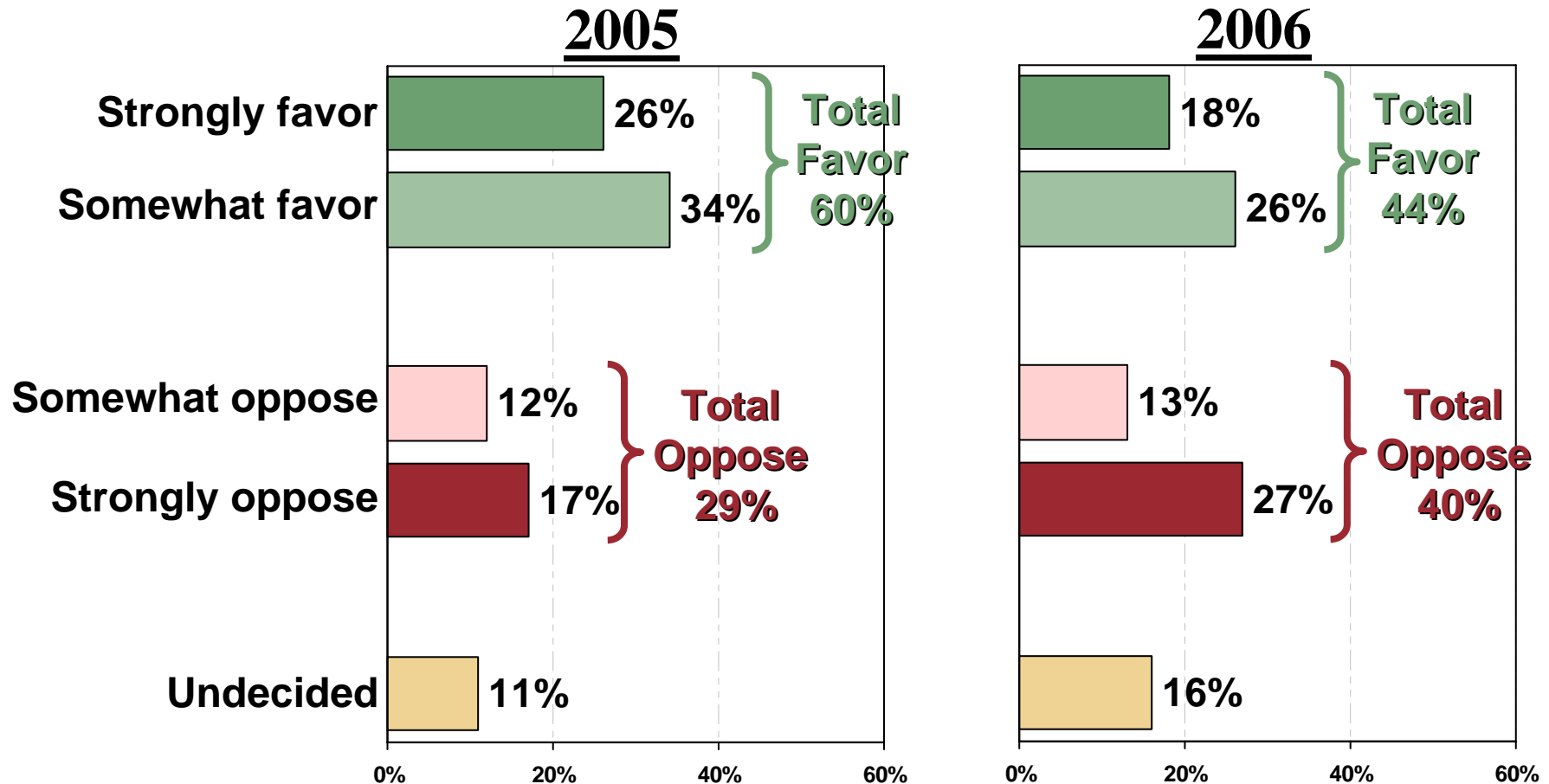
Attitudes Toward a Potential Tax Increase

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Support for the concept of a tax increase has dropped.



8. Suppose there were a measure on a City of Morgan Hill ballot asking voters to approve a small tax increase to restore recent cuts in essential City services – including police, fire, and street and park maintenance – and to prevent further cuts in those services. Would you favor or oppose such a ballot measure?

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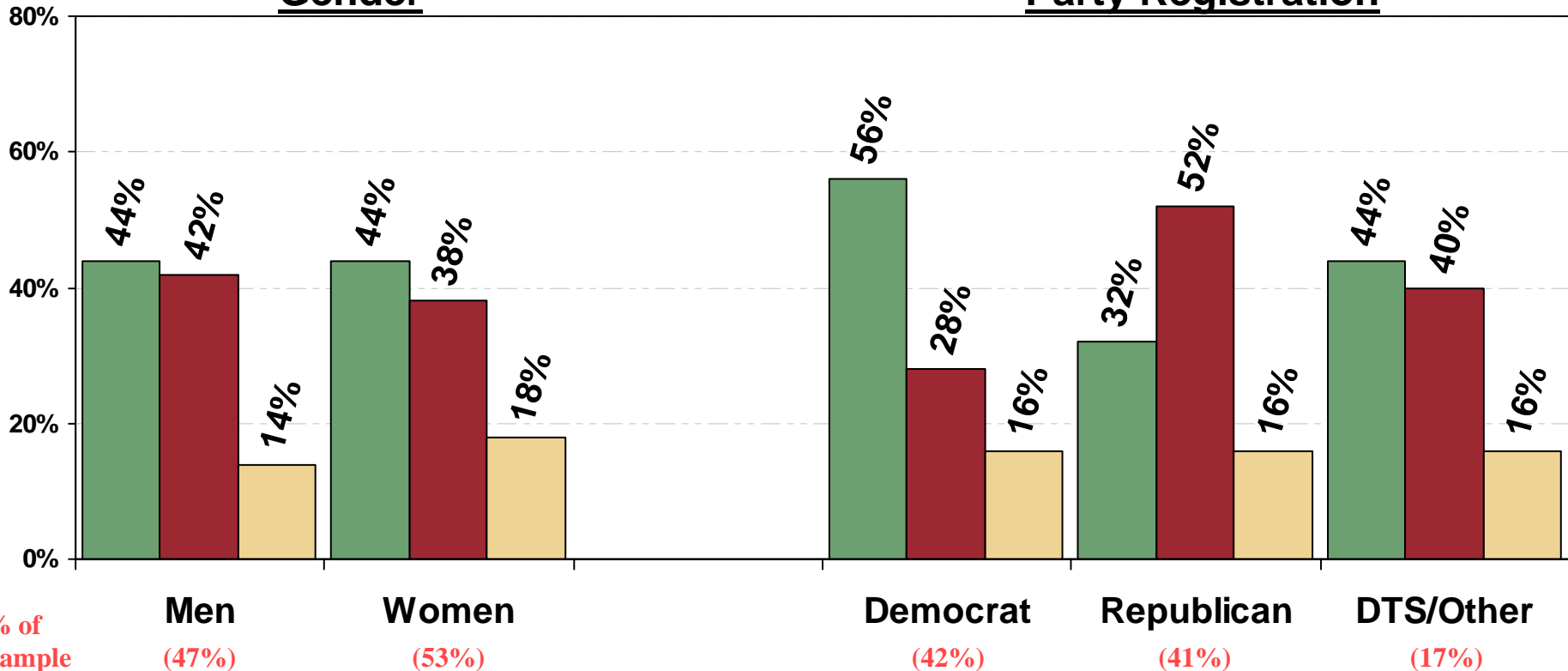
Demographics

Gender and Party Registration

■ Total Favor ■ Total Oppose ■ Undecided

Gender

Party Registration



8. Suppose there were a measure on a City of Morgan Hill ballot asking voters to approve a small tax increase to restore recent cuts in essential City services – including police, fire, and street and park maintenance – and to prevent further cuts in those services. Would you favor or oppose such a ballot measure?

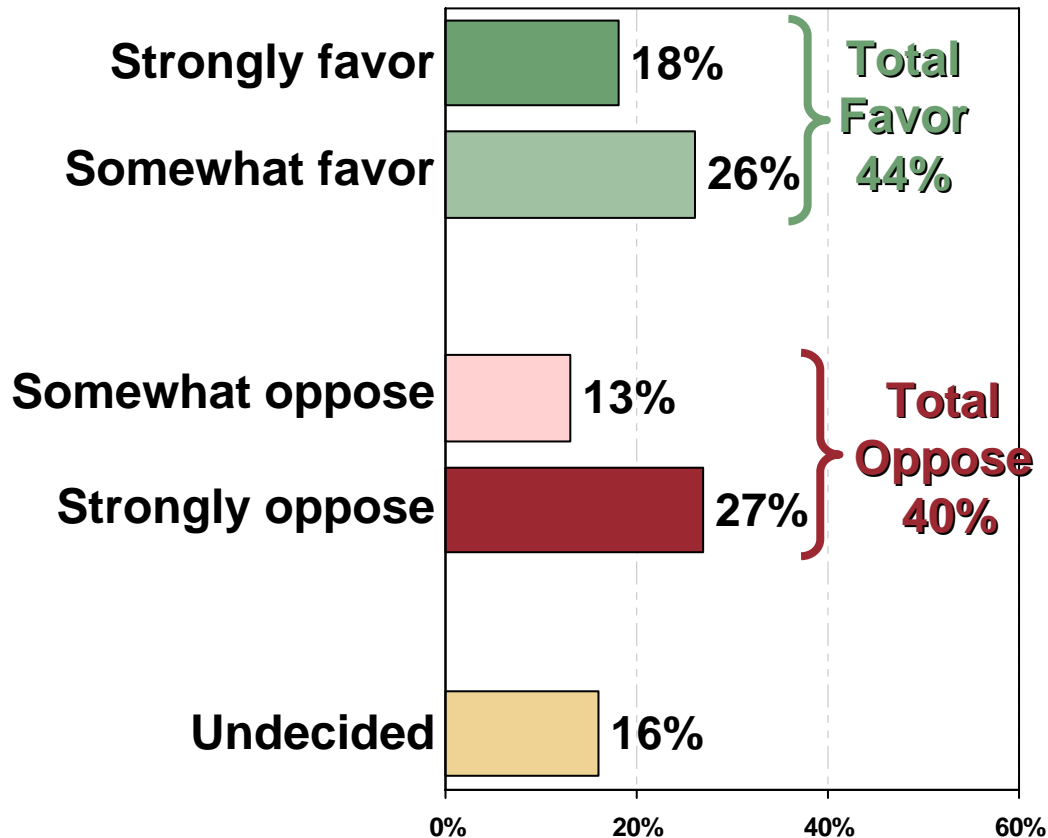
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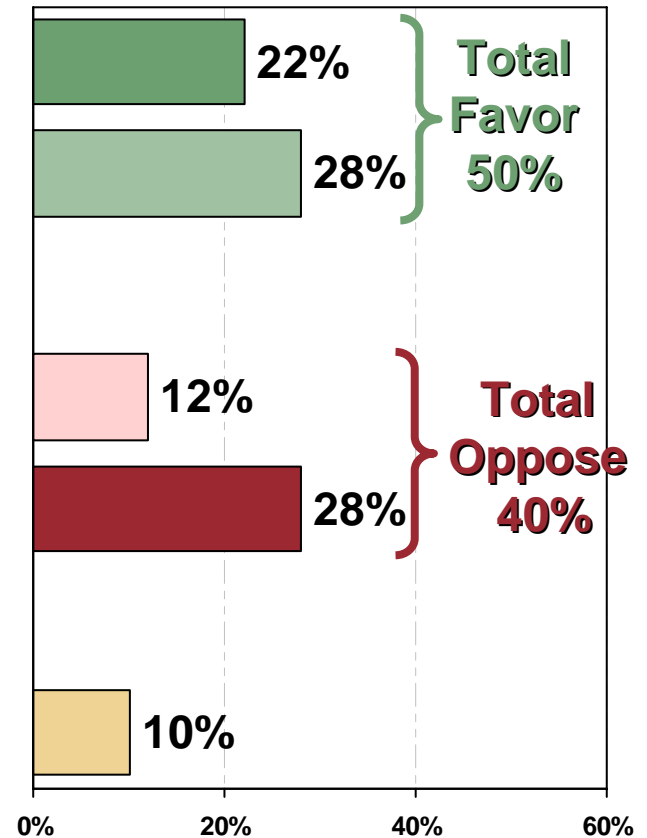


Support for a tax increase goes up after additional information is provided.

Initial Support



After Information



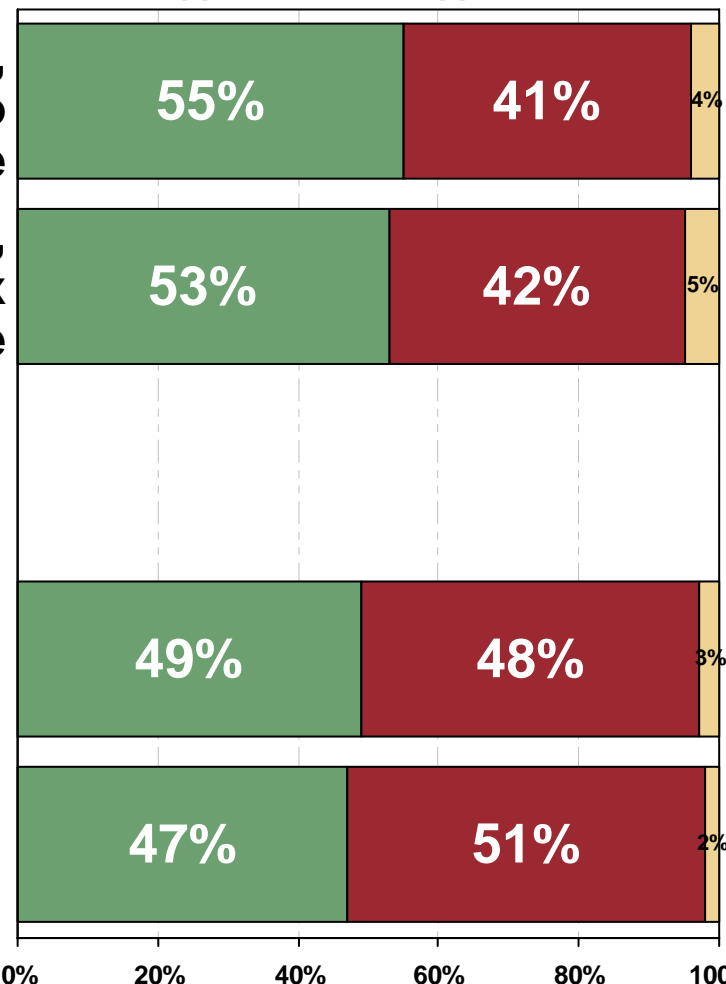
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Voters support expansion of retail in the City.

■ Total Support ■ Total Oppose ■ DK/NA



***Attracting more large retail stores to Morgan Hill, such as auto dealerships and big-box retailers, to increase sales tax revenue**

***Attracting more large retail stores to Morgan Hill, such as auto dealerships, to increase sales tax revenue**

***Increasing the city sales tax by one-quarter cent**

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Continued

Establishing a new a one-time tax of \$6,000 on every new home built in Morgan Hill

■ Total Support ■ Total Oppose ■ DK/NA



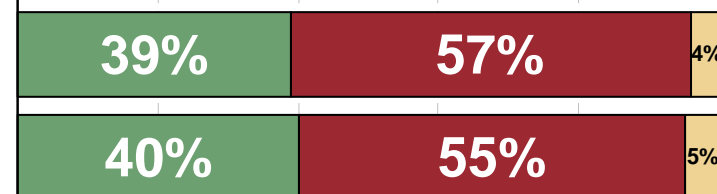
***Increasing the city sales tax by one-half cent**

2006
2005



***Charging a parcel tax of \$60 per year on every piece of property in Morgan Hill**

2006
2005



Establishing a real estate transfer tax, to be paid every time a home is sold, of \$3 per \$1,000 of the sale price



0% 20% 40% 60% 80% 100%

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Continued

Creating a fire assessment district which would charge an assessment of \$120 per year per residential property to fund fire and emergency medical services

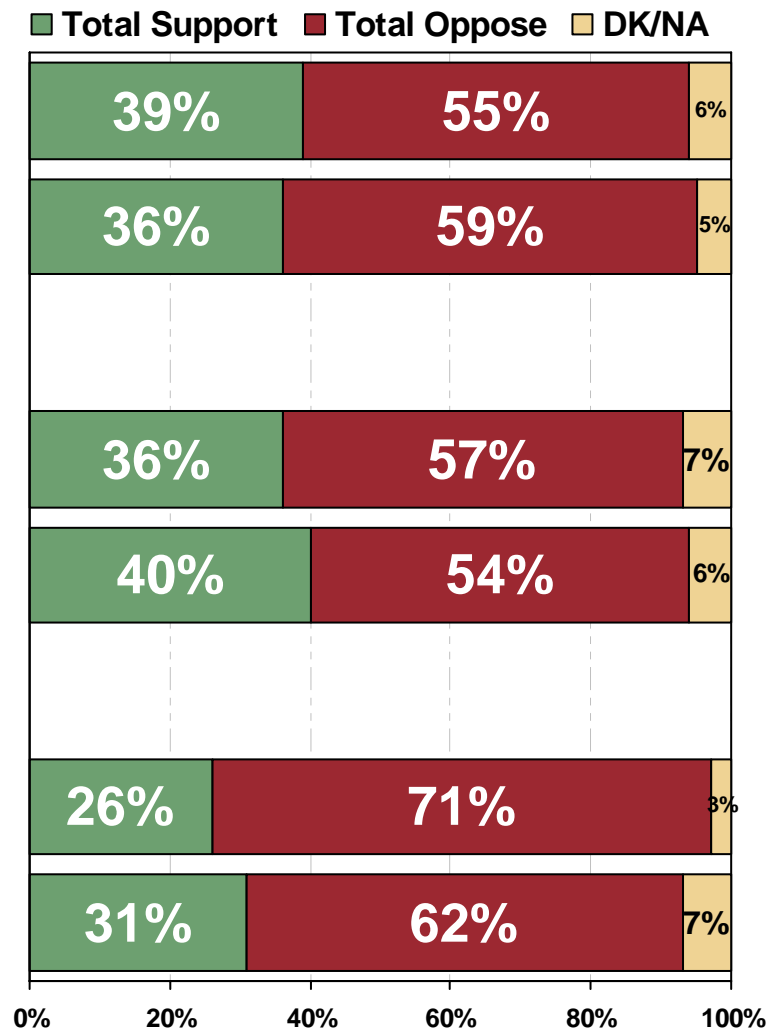
2006
2005

Establishing a utility users tax at 1% of utility bills

2006
2005

***Charging a parcel tax of 120 dollars per year on every piece of property in Morgan Hill**

2006
2005



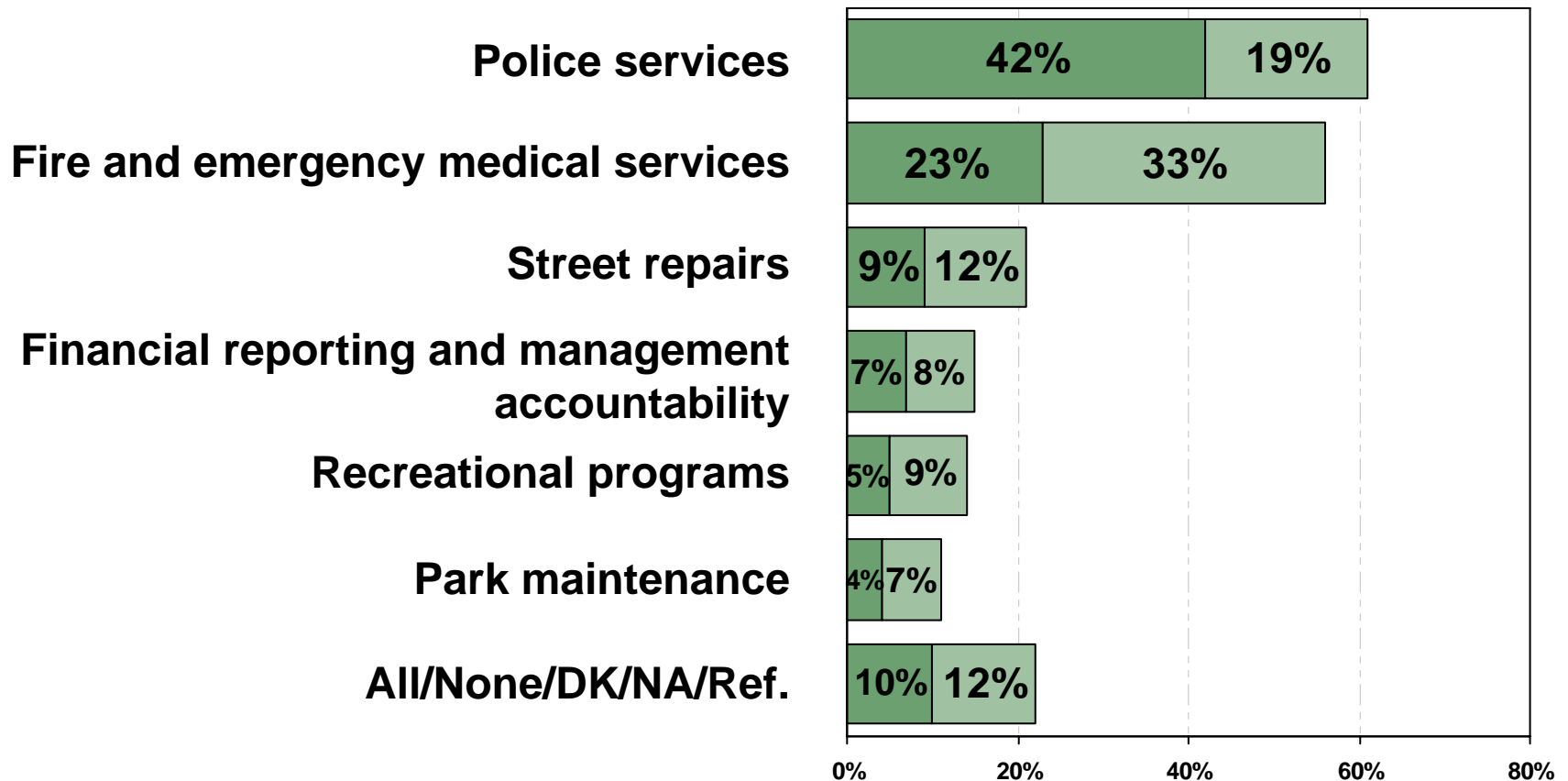
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Public safety services are voters' highest priorities for restoration.

■ 1st Choice ■ 2nd Choice



12. I'm going to read you a list of specific services where recent cuts could be restored if more money were available to the City. Please tell me which one you think should be the highest priority to restore. And which do you think is second-most important?

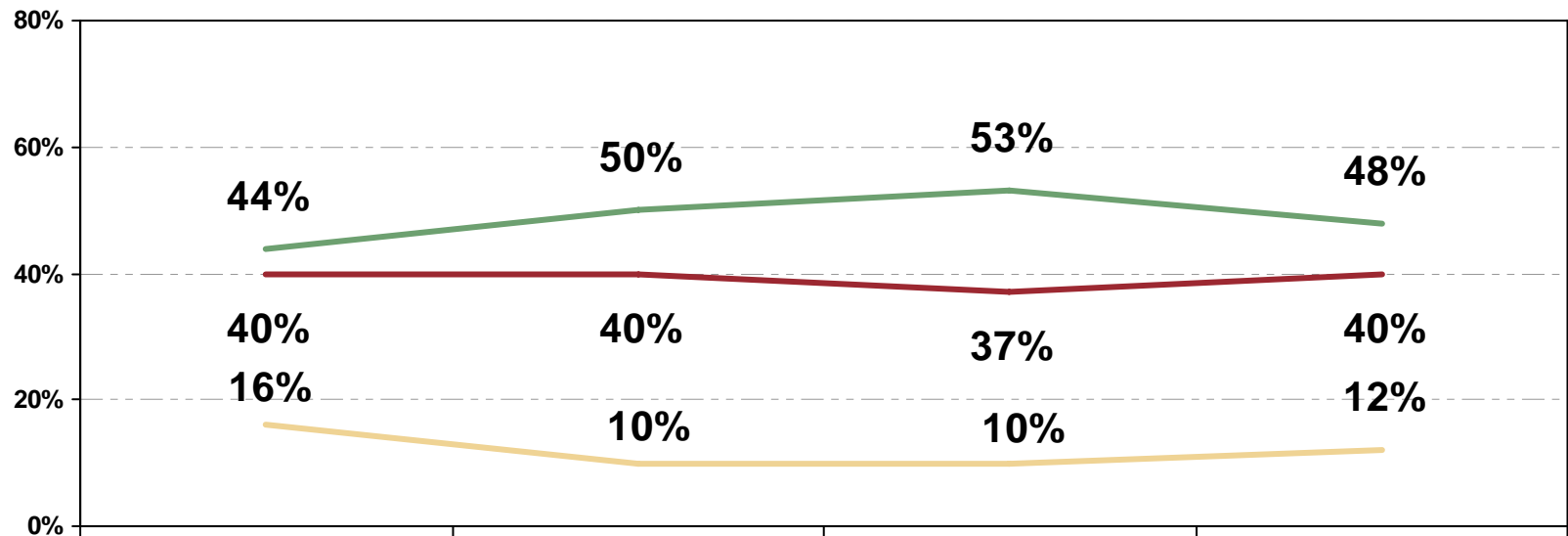
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Support for a measure increases with additional information.

— Total Favor — Total Oppose — Undecided



	Initial Vote	After Explanation	After Positives	After Negatives
Total Favor	44%	50%	53%	48%
Total Oppose	40%	40%	37%	40%
Undecided	16%	10%	10%	12%

8/9/14/16. Let me ask you one last time about a possible ballot measure asking voters to approve a small tax increase to restore recent cuts in essential City services – including police, fire, and street and park maintenance – and to prevent further cuts in those services. Would you favor or oppose such a ballot measure?

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Conclusions

- **There is not adequate public support for a ballot measure to increase taxes to fund City services.**
- **Support for the concept of a tax increase starts below 50%, and even with more information and messages only reaches a bare majority.**
- **In addition, majorities of voters oppose a wide variety of potential specific tax increases.**
- **Voters do, however, support attracting more large retail stores to the City.**
- **The City should continue its efforts to educate the public about the City's financial position, while exploring opportunities to raise revenue that do not require voter-approved tax increases.**



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